Ro-Ro Ferry service project

*316. SHRI JAYANTILAL BAROT: Will the Minister of FINANCE be pleased to state:

(a) whether the Central Government have received any proposal regarding Ro-Ro Ferry service project in Gujarat; if so, for which route;

(b) what is the status of the proposal of the State Government of Gujarat for financial assistance; and

(c) how much amount or percentage sharing of cost of project demanded by the State Government and what amount Central Government have agreed to?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Gujarat Infrastructure Development Board had forwarded the proposal of development of Ro-Ro Ferry Service under the Viability Gap Funding scheme. The project involved development of Ro-Ro Ferry Services in Gulf of Cambay between Ghogha in Bhavnagar and Hazira in Surat. 20% of total project cost amounting to Rs. 30 crores was estimated as the Viability Gap fund requirement. The proposal was considered by the Empowered Institution in its meeting held on 14.11.2006. After taking into consideration various issues, the Empowered Institution decided to request the project authorities to take the following steps:

(i) Designate/notify the tariff fixing authority;

(ii) Lay down upfront the methodology for fixing tariff and thrid party use;

(iii) Incorporate suitable provisions in the concession agreement to enable third party use;

(iv) Invite the bid for the integrated project with the condition that the viability gap funding would be applied only to fund the terminal cost.

A response from the Project Authorities is awaited.